Development Fund (RIDF) with NABARD, introduction of the Scheme for financing farmers for purchase of land for agricultural purposes, and providing produce marketing loans under priority sector lending.

Tax holiday for backward States

31. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to allow tax holiday in backward States in industrial sector;

(b) if so, what are the details of this scheme; and

(c) whether this tax holiday also applies to the most backward state of Orissa, if so the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) No Sir. The existing provisions of the Income-Tax Act, 1961 already provide for such concessions.

(b) The Income-tax Act provides for a 100% deduction from profits, for a period of 5 years, followed by a 25% deduction for the next 5 years to eligible unertakings set up before 31.3.2004 in backward States, and in certain backward districts of other States. In the case of eligible undertakings in certain other backward districts, a 100% deduction from profits for a period of 3 years, followed by a 25% deduction for the next 5 years has been allowed. In addition, a special set of concessions have been provided for certain special category states such as the North-eastern states and the States of Sikkim, Himachal pradesh and Uttaranchal.

(c) Undertakings which are set up in the industrially backward districts of Orissa, as notified, are eligible for the tax holiday.

Insurance Companies Operating in India

32. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) the names of Life and General Insurance Companies operating in India, with the names of countries of registration;

(b) whether some of these companies have established joint ventures in India, with equity participation of Indian Companies;